



STATE OF MARYLAND

**DHMH**

Maryland Department of Health and Mental Hygiene  
201 W. Preston Street • Baltimore, Maryland 21201

Parris N. Glendening, Governor - Georges C. Benjamin, M.D., Secretary

**MARYLAND MEDICAL ASSISTANCE PROGRAM****Managed Care Organization Transmittal No. 18****March 30, 2000**

**TO:** Managed Care Organizations  
Physicians

**FROM:** Joseph M. Millstone *JMM*  
Executive Director

**SUBJECT:** Eligibility Verification System (EVS)

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**OVERVIEW**

The purpose of this transmittal is to provide clarification on the effect of retroactive cancellations and disenrollments from HealthChoice using the Eligibility Verification System (EVS). This transmittal updates the previous EVS letter released on September 3, 1997 (Attachment). The major enrollment and MCO affiliation problems associated with the start up of the HealthChoice program that are addressed in the attached September 3, 1997, letter no longer exist. However, an increase in the number of retroactive cancellations/disenrollments of Medicaid/HealthChoice eligibles in the spring of 1999 and the impact of these transactions on MCO's and providers has created new issues and concerns. We have worked and continue to work with the Department of Human Resources (DHR), MCO's and providers to resolve these issues. The Department is committed to resolving any issues related to the Eligibility Verification System (EVS). The Department believes that EVS is valid, reliable, and the Program's authoritative source of eligibility verification for Medicaid/HealthChoice providers.

**TWO TYPES OF RETROACTIVE CANCELLATIONS/DISENROLLMENTS**

When a retroactive cancellation/disenrollment occurs in the cases of death or two different Medical Assistance beneficiary identification numbers, the Department is required by Federal rules and State regulations to recover capitation payments from an MCO, and the MCO may recover payment from the provider. The Department

recognizes that providers may have rendered services based on an original EVS message even though later a retroactive cancellation/disenrollment occurred. MCO's receive monthly disenrollment reports from the Department that should be used to advise individual providers of retroactive cancellations/disenrollments and to present documentation to providers if the MCO chooses to recover payment. The two types of retroactive cancellations/disenrollments are described below.

1 Death

Cancellation/disenrollment occurs when DHR retroactively notifies the Department of a beneficiary's death. In the case of death, the beneficiary could not have received services during the period between the date of death and the retroactive cancellation/disenrollment. Consequently, the Department is required to recover capitation payments from the MCO back to the date of death.

2. Two Different Medical Assistance/HealthChoice Beneficiary Identification Numbers

Retroactive cancellation/disenrollment also occurs when the Department discovers a single recipient with two different Medicaid/HealthChoice beneficiary identification numbers. If the beneficiary is active in two different MCO's, Federal rules require the Department to retroactively disenroll the beneficiary from HealthChoice coverage in one of the MCO's. If one MCO was voluntarily selected and the other was auto-assigned, the Department will recover capitation payments from the MCO that received the auto-assignment. In all other cases, the Department will recover capitation payments from the MCO that received the most recent auto-assignment.

As stated above, when the Department recovers capitation payment from one of the MCO's, that MCO may recover payments from the provider. If the provider rendered services and the MCO recovered payments for those services, the provider may contact Harvey Rodgville in the HealthChoice and Acute Care Administration at (410) 767-1482 for information on how to contact the MCO active on the date of service.

OTHER TYPES OF CANCELLATIONS/DISENROLLMENTS

Recent policy changes by the Department will ensure that all cancellations/disenrollments related to Medicare eligibility, administrative error and coverage group change from a HealthChoice to a non-HealthChoice designation will be cancelled/disenrolled on a current basis rather than retroactively. Providers or any entity identifying individuals eligible for both Medicare and Medicaid who are enrolled in a HealthChoice MCO should contact the Department, as Medicare recipients are not eligible for the HealthChoice program.

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**The Department strongly encourages all providers to review monthly membership and payment reports and to contact the respective MCO Provider Services representatives if they have questions related to retroactive cancellations/disenrollments, monthly membership or payment reports, etc. In addition, providers are encouraged to call the appropriate MCO's to verify PCP assignment status.**

**INQUIRIES**

**Please direct questions regarding this transmittal to Rosalie Koslof at (410) 767-1482.**

# Department of Health and Mental Hygiene

Parris N. Glendening, Governor - Martin P. Wasserman, M.D., J.D., Secretary



Date: September 3, 1997

## ATTENTION ALL HEALTHCHOICE PROVIDERS:

**RE: Verification of Recipient Eligibility and MCO Affiliation on the Eligibility Verification System (EVS) To Ensure Provider Payment By MCOs**

Due to the overwhelming response to recipient enrollment in the new Medical Assistance HealthChoice program, the Department, Foundation Health (the Enrollment Broker) and individual MCOs have been experiencing delays/problems in the transmission and processing of recipient/member eligibility information. The Department realizes that this has created difficulties for providers with verifying recipient eligibility on their files and concerns surrounding provider payment by the MCOs. To assist you in resolving this problem, the Department is requesting that HealthChoice providers do the following:

- When a HealthChoice recipient presents for services, call the Department's Eligibility Verification System (EVS) 410-333-3020/1-800-492-2134 to verify the eligibility and the MCO in which the recipient is enrolled. You must use the current 11 digit Medical Assistance recipient identification number issued by the Department when entering the recipient ID number on EVS.
- If EVS verifies that the recipient is eligible and with an MCO that you are affiliated with, document the EVS message and date, provide the medically necessary service, and this will ensure payment to you by the MCO, because the MCO is being capitated by the Department based on the information on EVS.

If you have any questions, please contact your MCO(s) or the Department's HealthChoice Provider Master File Unit at (410) 767- 5340.

Sincerely,

Barbara Shipmuck, Deputy Secretary  
Health Care Policy, Finance and Regulation

### Attachments

cc: MCOs

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201 West Preston Street - Baltimore, Maryland 21201  
TDD for Disabled - Maryland Relay Service (800) 735- 2258

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